



IN REPLY REFER TO

DEFENSE CONTRACT AUDIT AGENCY

**CAMERON STATION
ALEXANDRIA, VIRGINIA 22314**

OSA-1456-68
B-68-19-277

REPLY TO:

STATINTL

P.O. Box #9363
Rosslyn Station
Arlington, Virginia 22209

May 1, 1968

STATINTL

SUBJECT: Report on Price Evaluation

TO : Contracting Officer

REF : Proposal No. 8-H-109

1. Purpose of Evaluation. As requested, an evaluation was performed of the referenced proposal. Pertinent books and records were examined to determine the reasonableness of the proposed prices for spare parts to support the Butterfly system and the test carts. A six (6) month work period under a firm fixed price type contract is contemplated.

2. Results of Evaluation. The results of the auditor's evaluation and comments thereon are detailed in Exhibit A attached.

3. Concluding Remark. We will be pleased to furnish the Contracting Officer with any accounting counsel or additional audit service which may be desirable and appropriate in negotiating the proposed contract.

[Handwritten signature]
for Charles M. Hanley
ARTHUR G. HANLEY
DCAA Representative - APL

STATINTL